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CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE
18 October 1961

OCI No. 3320

Copy No.

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CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Philippine Presidential and Congressional
Elections on 14 November 1961.

1. Offices to be filled: President and vice president, one third of the 24 Senate seats, and all 104 seats in the House of Representatives.

2. Parties or factions participating: Two major parties, the administration Nacionalista party (NP), and the opposition Liberal party (LP) are competing. The LP, now merged with leading elements of the former Progressive party/Grand Alliance factions, is also referred to in the present campaign as the United Opposition. In addition to the major party candidates, two independents are running for the offices of president and vice president respectively.

3. Outstanding personalities: Seeking re-election for the ruling NP is President Carlos P. Garcia, who succeeded to office in 1957 upon the death of President Magsaysay and was re-elected in November of that year. A seasoned politician, Garcia has not been an effective or popular President; corruption and favoritism are widespread in his administration. Garcia is almost 65 and suffered a heart attack in mid-1960. His running mate, 54-year-old Senator Gil Puyat, has been a spokesman for the growing entrepreneurial class; as chairman of the Senate Finance Committee, he has been one of the country's few politicians well grounded in economic matters and has been generally friendly to American interests.

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The Liberal party ticket is centered on younger, reform-minded elements, with Vice President Diosdado Macapagal the presidential nominee. A former congressman, the 51-year-old Macapagal has carried out only ceremonial duties for the past four years. Although his personality is described as "colorless," he has a reputation for integrity and appears to have considerable insight into the country's major problems. The Liberal vice presidential candidate, former Senator Emmanuel Pelaez, at 45, is considered one of the Philippines' most capable politicians and was frequently known as an outstanding member of Congress. He was closely identified with Magsaysay, for whom he served as spokesman in negotiations affecting US bases.

In addition to the candidates of the two major parties, a renegade LP senator, former matinee idol Rogelio de la Rosa, is independently seeking the presidency. An independent candidate for the vice presidency is Sergio Osmena, Jr. [REDACTED]

[REDACTED] son of a former Philippine president and a leading politician from Cebu. Although Osmena was suspended from membership in the House of Representatives as a result of his attacks on Garcia, there is evidence that both his candidacy and that of De la Rosa have been encouraged by the President in order to weaken the LP in its principal strongholds.

4. Present party strengths: Nationally and locally, the NP has superior financial resources and a significant organizational advantage over the LP. After the 1959 election it controlled, in addition to the presidency, 18 of the 24 Senate seats, 74 seats in the House of Representatives, the offices of both governor and vice governor in 34 of the 56 provinces, and of both mayor and vice mayor in 13 of the 28 chartered cities; it holds 880 municipal mayoralties in the entire country.

The Liberals have been slowly gaining strength after resounding defeats in 1953 and 1955. In addition to Macapagal in the vice presidency, the Liberals have partial support from the four Liberals and two independents in the Senate, control 18 seats

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in the House of Representatives, hold both the offices of governor and vice governor in 12 provinces, both the offices of mayor and vice mayor in 7 cities, and have partial control in 10 more provinces and 8 cities. At the municipal level, they control 816 mayoralities.

Liberal party strength is concentrated in populous areas of northern and central Luzon, of which Macapagal is a native; the party enjoys some strength in Mindanao, home of Pelaez, and in a few provinces of the Visayas. Garcia's major critics are in the larger cities, but his NP is entrenched throughout most of the Visayas, much of Mindanao, and in scattered areas of Luzon. Candidates De la Rosa and Osmena have no organizational backing, but each has a strong following in his native area of, respectively, central Luzon and the Visayas.

5. Principal issues: Issues in the campaign are primarily domestic, centering around the regime's corruption, inefficiency, and maladministration of economic development programs. One issue which has assumed increasing importance in recent weeks has been the rising cost of living, particularly for necessities such as rice. Since this affects wide areas of the country, the situation may be a key election factor. There has been some focus on the need for deep-seated social reforms.

Foreign policy issues have figured less prominently, although Nacionalista emphasis on Garcia's "Filipino First" programs have foreign policy implications. The Liberals have charged that such a policy--largely directed against powerful domestic Chinese businessmen--discourages foreign investment, has anti-American connotations, and plays into Communist hands.

6. Principal factors influencing the outcome: Although it is believed that the NP's superior financial and organizational assets may prove to be a more significant factor than the widespread criticism of the Nacionalista administration, there are

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several unknown quantities in the current campaign which could be decisive. These include the effects of the independent candidacies of De la Rosa and Osmena on the strength of the major parties, the impact on remote villages of Macapagal's intensive four-year handshaking campaign, and the trend toward growing voter independence. Garcia faces a more united opposition than he did in 1957, and in some areas local NP party organizers are not actively supporting the national tickets. Although there are no firm indications at present that rigging will be widespread, the government party could resort to ballot manipulation, bribes, or intimidation by military or police forces to assure its re-election. Irregularities on a vast scale have not, however, figured prominently in Philippine elections for several years.

7. Background: This is a regular quadrennial national election. The incumbent Nacionalistas have been the ruling party since 1953. President Garcia received about 40 percent of the vote against a divided opposition in the election of November 1957. This year he faces a united opposition which has gained local strength since the 1959 senatorial and provincial elections.

Unusual interest centers this year on the vice presidential race because of a constitutional provision that no man can serve as president for more than eight consecutive years. Thus Garcia would be able to serve only three years and three months of a four-year term--until 17 March 1965, when he would be succeeded by the elected vice president. A further complication is the fact that Filipinos vote for President and vice president individually rather than on a combined party ticket. The 1957 election was the first to result in a party division of the two top executive offices. If Garcia is re-elected and there is a similar division this year, a change in party control of the administration will result in March 1965.

8. Informed opinion on outcome: Despite a quantity of unknown factors which point to a close and uncertain race, most American officials and

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other observers believe the NP will probably win. The vice presidential race, however, is even more uncertain than the presidential one, and there is some evidence that NP nominee Puyat is not getting full party backing in many areas. The Liberal senatorial ticket is considered a more popular one than the Nacionalista slate, and observers believe the LP may win at least half of the eight seats at stake; residual Nacionalista strength in the Senate appears sufficiently strong, however, that NP control may continue, barring individual party defections. The Nacionalistas will probably also retain a considerable--though reduced--majority in the House.

9. Significance for US security interests:
There will probably be no dramatic or sharp changes in Philippine foreign policy, regardless of which party is elected. The next administration will almost certainly stand by the agreements between the US and the Philippines. Macapagal would probably be more sympathetic and cooperative with US objectives generally. Either man as President, however, will have to take account of rising nationalism, and certain issues, including concern over developments in Laos, Vietnam, and SEATO, will continue to cause some difficulties in US-Philippine relations.

Because of the close Philippine identity with the US, the character of any Philippine government tends to have some repercussions on US prestige. The possibilities for a reduction of the corruption plaguing the country would probably be greater if Macapagal were elected, and he might prove a more effective leader than his predecessor.

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